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Testimony for the Higher Education and Employment Advancement Committee Jennifer Widness, President Connecticut Conference of Independent Colleges March 8, 2022

On behalf of the Connecticut Conference of Independent Colleges (CCIC), I am submitting testimony on several bills before you today:

- SB 17: AAC PROHIBITING AN INSTITUTION OF HIGHER EDUCATION FROM WITHHOLDING TRANSCRIPTS
- SB 105: AAC RECOMMENDATIONS BY THE OFFICE OF HIGHER EDUCATION
- HB 5135: AA EXPANDING THE ROBERTA B. WILLIS SCHOLARSHIP PROGRAM TO STUDENTS OF PRIVATE OCCUPATIONAL SCHOOLS
- SB 251: AA EXPANDING TRAINING PROGRAMS FOR CAREERS IN HEALTH CARE
- SB 250: AAC STUDENT LOAN REIMBURSEMENT FOR CONNECTICUT RESIDENTS WHO GRADUATED FROM A STATE UNIVERSITY

<u>Joint testimony</u> was submitted separately with CSCU President Cheng in support of **HB 5137: An Act Studying and Funding the Roberta Willis Scholarship Program**, also being heard today.

SB 17: AAC PROHIBITING AN INSTITUTION OF HIGHER EDUCATION FROM WITHHOLDING TRANSCRIPTS seeks to prohibit an institution of higher education from withholding a student's transcript for failure to pay a debt owed to the institution.

While CCIC understands and appreciates the intent of this bill, we must oppose.

Every independent college in Connecticut has a policy in place such that student transcripts may be held for unpaid student fees, student conduct, as well as holds due to unreturned equipment or books. Transcript hold policies allow for institutions of higher education to hold students accountable for obligations owed without immediately going to a collections agency, which could have a long term, detrimental impact on a student's future and could end up costing a student much more in the long run.

Our member institutions all consistently report that the holds allow them to work with students to address the debts owed over a period of a few weeks to a few months.

The debts owed for these transcript holds at CCIC's member institutions are not typically small charges due to late library books or unpaid parking fees. In an informal survey of CCIC member institutions, less than 20% of holds were on debts for under \$1,000. Fifty prevent were for debts that total between \$1000 and \$5,000 and over 35% are for debts greater than \$5,000.

It is our understanding that some of the public colleges in Connecticut do not allow a student to maintain enrollment in classes if they have an unpaid balance. For the most part, the independent colleges in Connecticut *allow* students to carry a balance for the semester and persist in their education given that completion is so critically important to their long-term success.

Further, the public colleges in the state have mechanisms in place to recover debts owed and may seek additional appropriations from the legislature to cover the costs of funds lost over the elimination of this policy. The independent colleges will be forced to go to collections more consistently and, in the long run, the elimination of the ability to place a transcript hold may result in increased tuition costs for students and their families.

We would ask the Committee to not move forward with this bill as it will have unintended, negative consequences for students and their families.

As an aside, negotiated rulemaking is currently underway at the federal level. A proposal has surfaced in these discussions regarding a national ban on transcript holds for all or a subset of institutions. Negotiators will vote on this issue the week of March 14thto 18th. We would like to continue to monitor the issue before any action is taken at the state level.

SB 105: AAC RECOMMENDATIONS BY THE OFFICE OF HIGHER EDUCATION,

makes a number of modifications to the manner in which the Office of Higher Education regulates the institutions under its purview, including CCIC's member institutions, shifting its role as an entity that provides licensure and accreditation to one that provides the authorization of institutions to operate in the state. Further, to better assess the fiscal health of the institutions it regulates and to expand its function as a consumer protection agency, the bill also currently requires all private higher education institutions in the state to annually submit several new data points and documentation, including sensitive financial information (see Lines 208 to 230).

CCIC has some concerns about this bill, as articulated below, and would ask the Committee not to move forward with the bill until changes are made to revise the language.

1. "Licensure and Accreditation" vs. "Authorization"

CCIC does not oppose the changes in the bill which seek to replace the terms "licensure and accreditation" with "authorization." This is intended to be a first step in updating regulations that are significantly outdated.

2. Expanding OHE's mission to explicitly include the collection and provision of consumer information to support the Office's consumer protection role.

CCIC has concerns about expanding OHE's mission to include the collection and provision of consumer information and opposes the provisions in the bill which call for CCIC's member institutions to provide them with a great deal of additional information on an annual basis.

CCIC is not afraid of data-sharing. We are founding members of the state's P20-WIN system which was created to inform sound policies and practice through the secure sharing of longitudinal data across the participating agencies to ensure that individuals successfully navigate supportive services and educational pathways into the workforce. The public colleges – CSCU and UCONN – are also members of P20 WIN and we feel this is the more appropriate venue for information sharing and research.

OHE has no oversight over the public colleges so they would only have the capacity to share information about the institutions they regulate, providing a lopsided perspective to consumers.

Further, the Governor's Workforce Council and the Office of Workforce Strategy have "Accountability and Data-Driven Management Design" as one of its four key focus areas. They have a strategy, resources and expertise available to conduct this work and are working closely with P20 WIN to make a data request to measure the outcomes of various state programs.

Last, the current bill requires institutions of higher education to share lists and costs of programs. This was already mandated under a bill passed last session for the purpose of establishing the Credential Registry. Further, the graduation rates of students and the employment outcomes are publicly available through the U.S. Department of Education's College Scorecard.

3. New Advisory Council to OHE

CCIC agrees with the proposal to eliminate the old academic advisory council in statute that is no longer needed. However, we oppose the creation of a new Council that will have decision making authority in which the OHE Director has the sole discretion for making appointments. If a new Council is to be created, appointments must be made by the Governor and/or the legislative body.

4. Monitoring the Fiscal Health of Private Institutions

CCIC does not oppose the idea that the state may have some role in knowing if an institution is facing fiscal stress and at risk of imminent closure, for consumer protection purposes. We do oppose the way OHE seeks to accomplish this goal in the current iteration of this bill.

We would ask Committee members to consider revising the bill to follow the approach adopted in Massachusetts following the sudden closure of Mt. Ida. Legislation passed in 2019 requires the Massachusetts Department of Higher Education to conduct an annual fiscal screen of the institutions it regulates but it also allows for the state to enter into an MOU with an accreditor to conduct such fiscal screen.

Since the passage of the Massachusetts legislation, the New England Council of Higher Education (NECHE) developed an annual fiscal screen for the independent institutions in Massachusetts to complete. NECHE has an MOU in place with the Massachusetts Department of Higher Education for information sharing purposes.

The annual fiscal screen established by NECHE for Massachusetts institutions is now required of all the independent institutions that NECHE accredits. This includes all of CCIC's member institutions, excluding Rensselaer at Hartford.

We would propose Connecticut take a similar approach to the Massachusetts early warning system such that OHE would be required to enter into an MOU with NECHE for information sharing regarding the fiscal health of the institutions NECHE regulates in Connecticut. For those institutions not regionally accredited, OHE shall be tasked with creating a process for determining fiscal health.

5. Exempt Independent Institutions from Program Approval

The proponents of SB 105 note that the Office of Higher Education seeks to shift its focus to "outcomes rather than inputs." Given that is the case, we would ask that the cap on our program approval exemption beginning in 2023 be removed once and for all and some of the duplicative reporting requirements removed. Program Approval is the epitome of measuring inputs in higher education.

HB 5135: AA EXPANDING THE ROBERTA B. WILLIS SCHOLARSHIP PROGRAM TO STUDENTS OF PRIVATE OCCUPATIONAL SCHOOLS, seeks to expand the Roberta B. Willis Scholarship program to students at private occupational schools.

CCIC strongly opposes this bill.

The Roberta Willis Scholarship program is woefully underfunded and expanding it to an additional set of institutions would only increase the amount of unmet need in the state.

In 2019, only 28% of eligible Connecticut students received a state need-based grant under the Roberta Willis Program —11,093 of 39,389 eligible students. Connecticut already ranks towards the bottom in its funding of need-based aid per undergraduate enrollment, at \$259 per student trailed the national average of \$721.

Further, the private occupational schools are for-profit institutions. For-profit institutions have long been excluded from the state's scholarship program as policymakers sought to focus the

limited state aid on non-profit institutions of higher education. For-profit institutions tend to have lower completion rates and higher loan default rates.

For these reasons, we ask the Committee not to move forward with this bill.

SB 251: AN ACT EXPANDING TRAINING PROGRAMS FOR CAREERS IN HEALTH CARE, seeks to develop initiatives that address the critical shortage of nursing and health care professionals in the state.

CCIC supports the need for the state to develop initiatives that address the shortage of nursing and health care professionals. Currently, the independent colleges in Connecticut produce nearly 60% of the health professions degrees earned in the state each year at the bachelor's level and above, and have the capacity to do more

We are supportive of the provisions in the Governor's budget laid out to address this issue in part by investing \$35 million in expanding the number of education and training opportunities for aspiring nurses and mental health providers, \$20 million in financial aid for students pursuing a nursing or mental health career pathway degree, and \$17 million in a student loan-forgiveness program for clinicians that work in underserved communities. More than 7,000 qualified applicants were denied admission to Connecticut nursing programs in 2020 due to faculty shortages, lack of student clinical placements, and limited capacity for capstone experiences in specialty areas.

We would ask for two revisions to SB 251 as currently written:

- 1. Given the significant role that the independent colleges play in this state in producing degrees relevant to the goals of this bill, we would ask that the scope of the work be expanded to include the independent colleges. Specifically, we'd ask to be added in lines 5 and 9.
- 2. We would suggest that the Office of Workforce Strategy be tasked to take the lead on this effort in Section 1, in partnership with the Office of Higher Education and others. Currently, OWS has a Career Pathways in Healthcare team working to specifically address the issues laid out in the bill and would be best suited to conduct additional work in this area.

SB 250: AN ACT CONCERNING STUDENT LOAN REIMBURSEMENT FOR CONNECTICUT RESIDENTS WHO GRADUATED FROM A STATE UNIVERSITY

This bill seeks to provide loan reimbursement payments to graduates of public institutions of higher education who reside and work in the state five years after graduation.

The loan reimbursement offered in the bill is intended to counteract the "brain drain" and keep graduates of our public institutions of higher education in state.

According to the most recent <u>legislative report card</u>, over 70% of graduates of the Connecticut State Colleges and University System are employed in Connecticut after graduation. A little over 50% of the graduates of the University of Connecticut stay in state upon completion.

We agree that Connecticut needs to consider policies to attract and retain college graduates as typically the <u>state is ranked in the bottom tier for the percent of graduates found employed a after graduation</u>. However, a policy targeted exclusively to a population that already stays in state at a very high rate, will not move that needle.

The legislation should be expanded to include graduates of the independent colleges or, given limited resources, focus on retaining those graduates of in-demand programs such as engineering, computer science, bioscience and health sciences.